

DELTA P-HONES, INC.

BALANCE SHEETS
(UNAUDITED)

EXHIBIT

C

OCT. 31, 2001

OCT. 31, 2000

ASSETS

CURRENT

Cash
Accounts receivable
Accounts receivable - employees

PROPERTY AND EQUIPMENT, net

TOTAL ASSETS

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT

Accounts payable
Bank Overdraft
Advance Payments
Notes Payable
Notes Payable
Notes Payable
Due to Stockholder
Payroll taxes payable

TOTAL LIABILITIES

STOCKHOLDERS' EQUITY

Capital Stock
Retained earnings
Net income

TOTAL STOCKHOLDERS' EQUITY

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

The accompanying accountants' compilation report
should be read in conjunction with the
financial statements.

Test Company
Account Listing
February 14, 2002

| Account | Type | Description | Acct. # |
|---|---------------------|-------------------------------|---------|
| 0 | Bank | | |
| 2014 | Bank | | |
| 2015 | Bank | | |
| 2888 | Bank | | |
| CHECK | Bank | | |
| DEPOSIT | Bank | | |
| 1000 · P2 | Bank | | 1000 |
| 1001 · Commercial Bank | Bank | Commercial Bank | 1001 |
| 1002 · First Bank of South Arkansas | Bank | First Bank of South Arkansas | 1002 |
| 10021 · Progressive Bank | Bank | | 10021 |
| 1003 · Simmon's First Bank | Bank | Simmon's First Bank | 1003 |
| 1006 · Regions Bank | Bank | Regions Bank | 1006 |
| 1007 · Farmers Bank and Trust | Bank | Farmers Bank and Trust | 1007 |
| 1008 · Helena National Bank | Bank | Helena National Bank | 1008 |
| 1009 · Union Planters Bank | Bank | Union Planters Bank | 1009 |
| 1013 · First National Bank | Bank | First National Bank | 1013 |
| 1014 · Firstar- St. Louis | Bank | Firstar-St. Louis | 1014 |
| 1015 · Bank of America | Bank | Bank of America | 1015 |
| 1016 · First Financial Bank | Bank | First Financial Bank | 1016 |
| 1017 · Firstar- AR | Bank | Firstar-AR | 1017 |
| 1019 · Emprise Bank | Bank | Emprise Bank | 1019 |
| 1020 · Superior Federal Bank | Bank | Superior Federal Bank | 1020 |
| 1021 · 1st. Nat. Bank of Eastern Ark. | Bank | 1sr. Nat. Bank of Eastern Ark | 1021 |
| 1022 · Garden Plain State Bank | Bank | Garden Plain State Bank | 1022 |
| 1023 · Arvest - First National Bank | Bank | Arvest - First National Bank | 1023 |
| 1024 · Bank of the Ozarks | Bank | Bank of the Ozarks | 1024 |
| 1027 · Firstar - Kansas City | Bank | Firstar - Kansas City | 1027 |
| 1028 · Chillicothe State Bank | Bank | Chillicothe State Bank | 1028 |
| Easy Way Phone Sales | Accounts Receivable | | |
| 1510 · Accounts Receivable - Employees | Accounts Receivable | | 1510 |
| 1511 · Accounts Receivable | Accounts Receivable | | 1511 |
| 1512 · Easy Way | Accounts Receivable | Easy Way | 1512 |
| 1514 · Accounts Rec. - Data Base Hub | Accounts Receivable | Data Base Hub | 1514 |
| 1120 · Inventory Asset | Other Current Asset | | 1120 |
| 1499 · Undeposited Funds | Other Current Asset | | 1499 |
| 1501 · Cash | Other Current Asset | | 1501 |
| 1541 · Office Equipment | Fixed Asset | | 1541 |
| 1541 · Office Equipment:1542 · Office Equipment - Fixed Asset | | | 1542 |
| 1541 · Office Equipment:1543 · Office Equipment - Fixed Asset | | | 1543 |
| 1550 · Automotive Equipment | Fixed Asset | | 1550 |
| 1550 · Automotive Equipment:1551 · Auto. Equip. - Fixed Asset | | | 1551 |
| 1550 · Automotive Equipment:1552 · Auto. Equip. - Fixed Asset | | | 1552 |
| 1560 · Leasehold Improvements | Fixed Asset | | 1560 |
| 1560 · Leasehold Improvements:1561 · Leasehold | Fixed Asset | | 1561 |
| 1560 · Leasehold Improvements:1562 · Leasehold | Fixed Asset | | 1562 |
| 1570 · Sign | Fixed Asset | | 1570 |
| 1570 · Sign:1571 · Sign - Aquisitions | Fixed Asset | | 1571 |
| 1570 · Sign:1572 · Sign - Disposals | Fixed Asset | | 1572 |
| 1580 · Accumaltive Depreciation | Other Asset | | 1580 |
| 2000 · Accounts Payable - Trade | Accounts Payable | | 2000 |
| 2001 · Accounts Payable - Easy Way | Accounts Payable | | 2001 |

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| Account | Type | Description | Accnt. # |
|--|-------------------------|-------------------------------|----------|
| 2002 · Amer. With Disabilities Payable | Accounts Payable | Amer. With Disabilities Payab | 2002 |
| 2003 · Deaf and Hearing Imp. Payable | Accounts Payable | | 2003 |
| 2004 · Universal Service Fund Payable | Accounts Payable | | 2004 |
| 2005 · Commission Payable | Accounts Payable | | 2005 |
| 2010 · AR - E911 Payable | Accounts Payable | | 2010 |
| 2077 · KS E-911 Payable | Accounts Payable | | 2077 |
| 2151 · MO E-911 | Accounts Payable | Missouri E-911 | 2151 |
| 2152 · TX E-911 | Accounts Payable | | 2152 |
| 2153 · OK E-911 | Accounts Payable | | 2153 |
| advanced payments | Other Current Liability | | |
| 2800 · Payroll Liabilities | Other Current Liability | | 2800 |
| 2802 · AR - Telecom. Tax Payable | Other Current Liability | | 2802 |
| 2803 · Fed W/H Tax Payable | Other Current Liability | | 2803 |
| 2804 · FICA Tax Payable | Other Current Liability | | 2804 |
| 2805 · LA. W/H Tax Payable | Other Current Liability | | 2805 |
| 2806 · Accrued Payroll Taxes | Other Current Liability | | 2806 |
| 2807 · 401K Withheld | Other Current Liability | | 2807 |
| 2808 · Federal Excise Tax | Other Current Liability | | 2808 |
| 2809 · MO - State Sales Tax | Other Current Liability | | 2809 |
| 2810 · LA Unemployment | Other Current Liability | | 2810 |
| 2900 · Notes Payable - Progressive | Other Current Liability | | 2900 |
| 2801 · Notes Payable | Long Term Liability | | 2801 |
| 1110 · Retained Earnings | Equity | Retained Earnings | 1110 |
| 1520 · Capital Stock | Equity | Capital Stock | 1520 |
| 3000 · Opening Bal Equity | Equity | | 3000 |
| Office Supplies | Income | Office Supplies | |
| 4000 · Phone Service Income | Income | | 4000 |
| 4010 · Sales | Income | Sales | 4010 |
| 4030 · Sales Discounts | Income | Sales Discounts | 4030 |
| 4050 · Commission Income | Income | | 4050 |
| 4500 · Co-Op Advertising | Income | Co-Op Advertising | 4500 |
| 4500 · Co-Op Advertising:4501 · Co-Op Advertising Income | | | 4501 |
| 4500 · Co-Op Advertising:4502 · Co-Op Advertising Income | | Co-Operative Advertising - MS | 4502 |
| 5000 · Cost of Goods Sold | Cost of Goods Sold | Cost of Goods Sold | 5000 |
| 2011 · AR E911 | Expense | AR E911 | 2011 |
| 2012 · MO E911 | Expense | MO E911 | 2012 |
| 2013 · KS E911 | Expense | | 2013 |
| 4031 · Sales Returns and Allowances | Expense | Sales Returns and Allowances | 4031 |
| 5100 · Phone Service and Conn. Fee | Expense | | 5100 |
| 5110 · Commission Expense - Agent | Expense | | 5110 |
| 6002 · Salaries | Expense | | 6002 |
| 6005 · Casual Labor | Expense | | 6005 |
| 6006 · Janitorial | Expense | | 6006 |
| 6010 · Payroll Taxes | Expense | | 6010 |
| 6110 · Automobile Expense | Expense | Automobile Expense | 6110 |
| 6111 · 401K Expense | Expense | | 6111 |
| 6113 · Pension/Profit Sharing Contr. | Expense | | 6113 |
| 6114 · Employee Benefits | Expense | | 6114 |
| 6120 · Bank Service Charges | Expense | Bank Service Charges | 6120 |
| 6130 · Cash Discounts | Expense | Cash Discounts | 6130 |
| 6140 · Contributions | Expense | Contributions | 6140 |

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| Account | Type | Description | Acct. # |
|---|---------|---------------------------|---------|
| 6150 · Depreciation Expense | Expense | Depreciation Expense | 6150 |
| 6160 · Dues and Subscriptions | Expense | Dues and Subscriptions | 6160 |
| 6170 · Equipment Rental | Expense | Equipment Rental | 6170 |
| 6180 · Insurance | Expense | Insurance | 6180 |
| 6180 · Insurance:6181 · Group Insurance | Expense | | 6181 |
| 6180 · Insurance:6182 · Life Insurance | Expense | | 6182 |
| 6180 · Insurance:6183 · Liability Insurance | Expense | Liability Insurance | 6183 |
| 6180 · Insurance:6184 · Disability Insurance | Expense | Disability Insurance | 6184 |
| 6200 · Interest Expense | Expense | Interest Expense | 6200 |
| 6200 · Interest Expense:6210 · Finance Charge | Expense | Finance Charge | 6210 |
| 6200 · Interest Expense:6220 · Loan Interest | Expense | Loan Interest Expense | 6220 |
| 6200 · Interest Expense:6375 · Mortgage | Expense | Mortgage Interest | 6375 |
| 6230 · Licenses and Permits | Expense | Licenses | 6230 |
| 6240 · Miscellaneous | Expense | Miscellaneous | 6240 |
| 6250 · Postage and Delivery | Expense | Postage and Delivery | 6250 |
| 6260 · Printing and Reproduction | Expense | Printing and Reproduction | 6260 |
| 6265 · Filing Fees | Expense | Filing Fees | 6265 |
| 6270 · Professional Fees | Expense | Professional Fees | 6270 |
| 6270 · Professional Fees:6280 · Legal Fees | Expense | Legal Fees | 6280 |
| 6270 · Professional Fees:6650 · Accounting | Expense | Accounting Fees | 6650 |
| 6270 · Professional Fees:6651 · Software License | Expense | | 6651 |
| 6285 · Franchise Fees | Expense | Franchise Fees | 6285 |
| 6290 · Rent | Expense | Rent | 6290 |
| 6290 · Rent:6291 · Rent - Building | Expense | | 6291 |
| 6290 · Rent:6292 · Rent - Equipment | Expense | | 6292 |
| 6300 · Repairs | Expense | Repairs and Maintenance | 6300 |
| 6300 · Repairs:6310 · Building Repairs | Expense | Building Repairs | 6310 |
| 6300 · Repairs:6320 · Computer Repairs | Expense | Computer Repairs | 6320 |
| 6300 · Repairs:6330 · Equipment Repairs | Expense | Equipment Repairs | 6330 |
| 6340 · Telephone | Expense | Telephone | 6340 |
| 6350 · Travel & Ent | Expense | Travel and Entertainment | 6350 |
| 6350 · Travel & Ent:6351 · Entertainment | Expense | Entertainment | 6351 |
| 6350 · Travel & Ent:6352 · Meals | Expense | Meals | 6352 |
| 6350 · Travel & Ent:6353 · Travel | Expense | Travel | 6353 |
| 6390 · Utilities | Expense | Utilities | 6390 |
| 6390 · Utilities:6391 · Electricity | Expense | Electricity | 6391 |
| 6390 · Utilities:6392 · Gas | Expense | Gas | 6392 |
| 6390 · Utilities:6393 · Water | Expense | Water | 6393 |
| 6560 · Payroll Expenses | Expense | | 6560 |
| 6657 · Security | Expense | | 6657 |
| 6665 · Computer Expense | Expense | | 6665 |
| 6665 · Computer Expense:6666 · Computer Suppli Expense | | | 6666 |
| 6665 · Computer Expense:6667 · Computer Conne Expense | | | 6667 |
| 6675 · Bank Charges | Expense | | 6675 |
| 6675 · Bank Charges:6676 · Bank Charges - Finan Expense | | | 6676 |
| 6675 · Bank Charges:6677 · Bank Charges - Servir Expense | | | 6677 |
| 6675 · Bank Charges:6678 · Bank Charges - Depo Expense | | | 6678 |
| 6680 · Advertising Expense | Expense | | 6680 |
| 6680 · Advertising Expense:6681 · Advertising Exp Expense | | | 6681 |
| 6680 · Advertising Expense:6682 · Advertising Exp Expense | | | 6682 |
| 6680 · Advertising Expense:6683 · Advertising Exp Expense | | | 6683 |

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| <u>Account</u> | <u>Type</u> | <u>Description</u> | <u>Accnt. #</u> |
|---|---------------|--------------------|-----------------|
| 6680 · Advertising Expense:6684 · Advertising Exp | Expense | | 6684 |
| 6680 · Advertising Expense:6685 · Advertising Exp | Expense | | 6685 |
| 6680 · Advertising Expense:6686 · Advertising Exp | Expense | | 6686 |
| 6680 · Advertising Expense:6687 · Advertising Exp | Expense | | 6687 |
| 6770 · Supplies | Expense | Supplies | 6770 |
| 6770 · Supplies:6780 · Marketing | Expense | Marketing Supplies | 6780 |
| 6770 · Supplies:6790 · Office | Expense | Office Supplies | 6790 |
| 6820 · Taxes | Expense | Taxes | 6820 |
| 6820 · Taxes:6830 · Federal | Expense | Federal Taxes | 6830 |
| 6820 · Taxes:6840 · Local | Expense | Local Taxes | 6840 |
| 6820 · Taxes:6850 · Property | Expense | Property Taxes | 6850 |
| 6820 · Taxes:6860 · State | Expense | State Taxes | 6860 |
| 6999 · Uncategorized Expenses | Expense | | 6999 |
| 7010 · Interest Income | Other Income | Interest Income | 7010 |
| 7030 · Other Income | Other Income | Other Income | 7030 |
| 8010 · Other Expenses | Other Expense | Other Expenses | 8010 |
| 2 · Purchase Orders | Non-Posting | | 2 |